

<b>UNITED STATES BANKRUPTCY COURT</b> <b>DISTRICT OF NEW JERSEY</b> Caption in Compliance with D.N.J. LBR 9004-1(b)	
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In re:  BLOCKFI INC., <i>et al.</i> ,  Debtors. <sup>1</sup>	Chapter 11  Case No. 22-19361 (MBK)  <i>Jointly Administered under a Confirmed Plan</i> <sup>2</sup>

**FINAL APPLICATION FOR ALLOWANCE OF FEES AND  
REIMBURSEMENT OF EXPENSES TO ELEMENTUS, INC.**

TO: THE HONORABLE MICHAEL B. KAPLAN  
UNITED STATES BANKRUPTCY JUDGE

<sup>1</sup> The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC. (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 100 Horizon Center Blvd., 1<sup>st</sup> and 2<sup>nd</sup> Floors, Hamilton, NJ 08691.

<sup>2</sup> On October 3, 2023, the Court entered an order confirming the Third Amended Joint Chapter 11 Plan of BlockFi Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code (Additional Technical Modifications). [Docket No. 1609]

The Application of Elementus, Inc. (“Elementus”), Blockchain Intelligence and Forensic Expert to the Official Committee of Unsecured Creditors (the “Committee”), respectfully states to the Court as follows:

1. On November 28, 2022, the Debtor filed a Chapter 11 Petition in the United States Bankruptcy Court for the District of New Jersey [dkt #1].

2. On December 21, 2022, a Notice of Appointment of Official Committee of Unsecured Creditors was entered by the Court [dkt #130], and on December 22, 2022, an Amended Notice of Appointment of Official Committee of Unsecured Creditors was entered by the Court [dkt #131].

3. Elementus was retained to serve in the capacity of Blockchain Intelligence and Forensic Expert to the Official Committee of Unsecured Creditors by Order of this Court dated March 16, 2023 [dkt #625], which retention was effective January 4, 2023. A copy of such retention Order is annexed hereto as **Exhibit "A"**.

4. On June 15, 2023, Elementus filed its First Interim Application as Blockchain Intelligence and Forensic Expert to the Committee covering the period January 4, 2023 through April 30, 2023 [**Dkt. #1075**].

5. On September 15, 2023, Elementus filed its Second Interim Application as Blockchain Intelligence and Forensic Expert to the Committee covering the period May 1, 2023 through July 31, 2023 [**Dkt. #1509**].

**6.** This Application represents Elementus’ Final Application as Blockchain Intelligence and Forensic Expert to the Committee and covers the period January 4, 2023 through October 2, 2023 (the “Final Application Period”). **All fees requested were included in the past interim fee orders. Please note there are no fees requested for the period August 1, 2023**

**through October 2, 2023, and this final fee application is being filed to finalize any prior interim orders.**

7. Incorporated by reference are Elementus timekeeper summaries included in the Monthly Fee Applications. These records detail (a) the name and title of each individual who provided services during the First Interim Period; (b) the aggregate hours spent by each individual for which compensation is sought by Elementus; (c) the hourly billing rate for each individual; and (d) the amount of fees for each such individual or for which compensation is sought by Elementus. Said timekeeper summaries reflect that Elementus has expended 1,297.90 hours in performing services for the Committee, resulting in charges of \$1,050,290.00. The blended hourly rate for compensation requested in this Application is approximately \$809.22 which your applicant believes is fair and reasonable in light of the nature of the services rendered and the expertise of the professionals rendering such services<sup>3</sup>.

8. The Monthly Fee Applications also set forth a detailed breakdown of all out of pocket disbursements incurred by Elementus in the performance of its duties as Blockchain Intelligence and Forensic Expert to the Committee, which total \$303,962.67.

9. Monthly Fee Applications were prepared and served pursuant to the Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court entered on January 17, 2023.

<b>Date Filed and Docket No.</b>	<b>Statement Period</b>	<b>Fees</b>	<b>Less 20%</b>	<b>Fee Payment Requested</b>	<b>Expense Reimbursement (100%)</b>
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<sup>3</sup> The blended rate is calculated by taking the total of the fees sought in this Application and dividing by the total of the hours billed by Elementus professionals during the Final Period.

(First) 4/19/23 Docket No. 751	1/4/23 – 1/31/23	\$244,425.00	(\$48,885.00)	\$195,540.00	\$133,967.03
(Second) 4/19/23 Docket No. 752	2/1/23 – 2/28/23	\$225,245.00	(\$45,049.00)	\$180,196.00	\$26,430.53
(Third) 4/19/23 Docket No. 753	3/1/23 – 3/31/23	\$292,040.00	(\$58,408.00)	\$233,632.00	\$27,957.87
(Fourth) 5/24/23 Docket No. 985	4/1/23 – 4/30/23	\$168,000.00	(\$33,600.00)	\$134,400.00	\$49,097.63
(Fifth) 6/27/2023 Docket No. 1127	5/1/23- 5/31/23	\$66,690.00	(\$13,338.00)	\$53,352.00	\$31,428.51
(Sixth) 7/31/23 Docket No. 1299	6/1/23- 6/30/23	\$53,890.00	(\$10,778.00)	\$43,112.00	\$35,081.10

10. Annexed hereto and made part hereof as **Exhibit "B"** is the Affidavit of Elementus submitted in accordance with the provisions of Section 504 of the Bankruptcy Code.

11. The within fee application encompasses services rendered for the Committee. Services rendered include tracing the flow of funds and providing detailed accounting of transaction activity on the blockchain, other data analysis requested on behalf of, or for the Committee. This includes processing and analyzing internal and external ledger datasets, and conducting relevant blockchain investigations using this information.

12. The work product is used in support of nearly all of the Committee's legal analysis.

13. In summary, your Applicant has performed an extraordinary amount of varied services in this Chapter 11 case, for the benefit of the thousands of creditors in this Chapter 11 case.

14. Your applicant respectfully submits that the services rendered by your Applicant during the period covered by the within Final Fee Application were reasonable and were of significant benefit to creditors of the within bankruptcy case.

15. Your applicant respectfully submits that all services were essential and necessary and the complexity of this Chapter 11 case required such services.

16. In addition to the foregoing, your applicant respectfully directs the Court's attention to the detailed time records incorporated by reference and found in the Monthly Fee Applications, which set forth the specific services rendered.

17. In summary, your applicant has performed extensive services, which have benefited the Committee.

**WHEREFORE**, Elementus respectfully requests the entry of the annexed Order, granting a final allowance of compensation in the amount of \$1,025,290.00, together with reimbursement of actual out-of-pocket disbursements in the amount of \$296,847.04, for a total award of \$1,322,137.04.

Respectfully submitted,

/s/ Matthew Austin

By: Matthew Austin  
Chief Operating Officer

Dated: February 26, 2024